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URBAN A. LESTER

April 15, 1998

RECORDATION NO. 21331 FILED

APR 15 '98

11-06AM

 Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), and the regulations thereunder, are three (3) copies of a Memorandum of Railcar Lease Agreement, dated April 15, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Norwest Equipment Finance, Inc.
733 Marquette Avenue
Minneapolis, Minnesota 55479

Lessee: NorRail, Inc.
308 12th Avenue South
Buffalo, Minnesota 55313

A description of the railroad equipment covered by the enclosed document is:

one hundred (100) flatcars bearing TR reporting marks and road numbers
165006 through 165105, inclusive

APR 15 11 06 AM '98

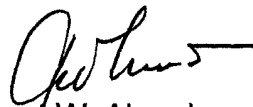
RECEIVED
SURFACE TRANSPORTATION
BOARD

Mr. Vernon A. Williams
April 15, 1998
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Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return two stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/bg
Enclosures

MEMORANDUM OF RAILCAR LEASE AGREEMENT

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of April 15, 1998 by and between Norwest Equipment Finance, Inc., a Minnesota Corporation ("Lessor") and NorRail, Inc., a Minnesota Corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor various railcars pursuant to one or more Schedules to the Lease to be entered into by Lessor and Lessee from time to time, all as more particularly described in that certain Railcar Master Lease Agreement dated April 15, 1998 between Lessor and Lessee (hereinafter referred to as the "Lease").
2. Pursuant to Supplement No.101 to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor the one hundred (100) 61' Flatcars bearing marks TR 165006 through TR 165105, inclusive.
3. The Lease shall be effective as of the execution date thereof and shall be subject to the term of the Lease, as provided therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railcar Lease Agreement to be executed as of the date first above written.

LESSOR: Norwest Equipment
Finance, Inc.

By: Curtis J. Berchert

Its: Vice President

By: _____

Its: _____

LESSEE: NorRail, Inc.

By: Jeff L. Smith

Its: Vice President / General Counsel

By: Donald A. Adams

Its: Vice President

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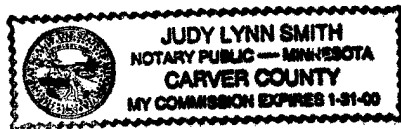
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TR 165006	TR 165045	TR 165084
TR 165007	TR 165046	TR 165085
TR 165008	TR 165047	TR 165086
TR 165009	TR 165048	TR 165087
TR 165010	TR 165049	TR 165088
TR 165011	TR 165050	TR 165089
TR 165012	TR 165051	TR 165090
TR 165013	TR 165052	TR 165091
TR 165014	TR 165053	TR 165092
TR 165015	TR 165054	TR 165093
TR 165016	TR 165055	TR 165094
TR 165017	TR 165056	TR 165095
TR 165018	TR 165057	TR 165096
TR 165019	TR 165058	TR 165097
TR 165020	TR 165059	TR 165098
TR 165021	TR 165060	TR 165099
TR 165022	TR 165061	TR 165100
TR 165023	TR 165062	TR 165101
TR 165024	TR 165063	TR 165102
TR 165025	TR 165064	TR 165103
TR 165026	TR 165065	TR 165104
TR 165027	TR 165066	TR 165105
TR 165028	TR 165067	
TR 165029	TR 165068	
TR 165030	TR 165069	
TR 165031	TR 165070	
TR 165032	TR 165071	
TR 165033	TR 165072	
TR 165034	TR 165073	
TR 165035	TR 165074	
TR 165036	TR 165075	
TR 165037	TR 165076	
TR 165038	TR 165077	
TR 165039	TR 165078	
TR 165040	TR 165079	
TR 165041	TR 165080	
TR 165042	TR 165081	
TR 165043	TR 165082	
TR 165044	TR 165083	

STATE OF MINNESOTA, COUNTY OF HENNEPIN TO WIT:

On this 10th day of April, 1998 before me personally appeared,
Curtis J. Zoernhof and _____, to me personally
known, who being by me duly sworn, says that they are the
Vice President and _____, respectively of
Norwest Equipment Finance, Inc., a Minnesota Corporation, that said
instrument was signed on behalf of said corporation by authority of its Board
of Directors, and they acknowledged that the execution of the foregoing
instrument was the free act and deed of said corporation.

(Seal)



Judy Lynn Smith
Notary Public

My commission expires: 1-31-00

STATE OF MINNESOTA, COUNTY OF WRIGHT TO WIT:

On this 9th day of April, 1998 before me personally appeared,
Bradley C. Duisted and Russell S. Adams, to me personally
known, who being by me duly sworn, says that they are the
VP - General Counsel and Vice President, respectively of
NorRail, Inc., a Minnesota Corporation, that said instrument was signed on
behalf of said corporation by authority of its Board of Directors, and they
acknowledged that the execution of the foregoing instrument was the free act
and deed of said corporation.

(Seal)



Gail M. Blagsvedt
Notary Public

My commission expires: 1-31-2000